

**FILED**

APR 26 2010

SECRETARY, BOARD OF  
OIL, GAS & MINING

**BEFORE THE BOARD OF OIL, GAS AND MINING  
DEPARTMENT OF NATURAL RESOURCES  
STATE OF UTAH**

IN THE MATTER OF THE REQUEST FOR AGENCY ACTION OF MARION ENERGY, INC. FOR AN ORDER GRANTING AN AQUIFER EXEMPTION AND APPROVING THE CONVERSION OF THE ALPINE SCHOOL DISTRICT #3-17 WELL LOCATED IN SECTION 17, TOWNSHIP 13 SOUTH, RANGE 7 EAST, CARBON COUNTY, UTAH, TO A CLASS II INJECTION WELL	<b>MOTION FOR LEAVE TO FILE SUPPLEMENTAL EXHIBITS</b>  Docket No. 2010-020  Cause No. UIC-362.2
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COMES NOW, Marion Energy, Inc. ("Marion"), by and through its attorneys, Beatty & Wozniak, P.C., and pursuant to Utah Admin. Code Rule R641-105-300, and hereby requests the Board of Oil, Gas and Mining (the "Board") for leave to file the following exhibits to supplement those already on file in this cause:

- SUPPLEMENTAL EXHIBIT "H"** – Revised Wellbore Schematics for the ASD 3-17 well depicting present and proposed completions (2 pages).
- SUPPLEMENTAL EXHIBIT "M"** – Additional Water Analysis data (2 pages).

Supplemental Exhibits "H" and "M" were submitted in response to requests from the staff of the Utah Division of Oil, Gas and Mining (the "Division").

Exhibits filed later than 30 days before the scheduled hearing date may be allowed by the Board upon good cause shown (*see* Utah Admin. Code Rule R641-105-500). The hearing on this matter is scheduled for April 28, 2010. These items do not materially change the previously filed exhibits, but clarify and support the materials previously

submitted and respond to the Division's requests. For these reasons, Marion respectfully requests this Motion for Leave be granted.

Respectfully submitted this 26<sup>th</sup> day of April, 2010.

**BEATTY & WOZNIAK, P.C.**

By:   
Rehma M. Miller  
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Cottonwood Heights, UT 84047-6003  
Telephone: (801) 566-8446  
Facsimile: (801) 566-8447  
E-mail: RMiller@bwenergylaw.com  
Attorneys for Petitioner Marion Energy, Inc.

### **CERTIFICATE OF SERVICE**

I hereby certify that, on this 26<sup>th</sup> day of April, 2010, I caused a true and correct copy of the foregoing Motion for Leave to File Supplemental Exhibits to be hand and electronically delivered to the following:

Michael S. Johnson, Esq.  
Assistant Attorney General  
Attorney for Board of Oil, Gas and Mining  
1594 West North Temple, Suite 300  
Salt Lake City, Utah 84116  
MikeJohnson@utah.gov

Steven F. Alder, Esq.  
Assistant Attorney General  
Attorney for Division of Oil, Gas and Mining  
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Gil Hunt  
Associate Director, Oil & Gas  
Utah Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Salt Lake City, UT 84116  
GilHunt@utah.gov

A handwritten signature in blue ink, appearing to be "Gil Hunt", is written over a horizontal line.

**Present Completion**

API: 43-007-31182

GL: 7,919'

KB: 7,934'

**Alpine School District #3-17**

Updated : 11/17/2009

**LOCATION:**

Clear Creek  
SW SE SW Sec 8 (BHL)  
SW NW NE (surface)  
Sec. 17 T13S R7E  
Carbon County, UT

**Casing Strings:****13-3/8", 46#, K-55 @ 490'**

Cmtd w/ 1200 sx

TOC @ surface

**9-5/8", 36#, J-55 @ 3,142'**

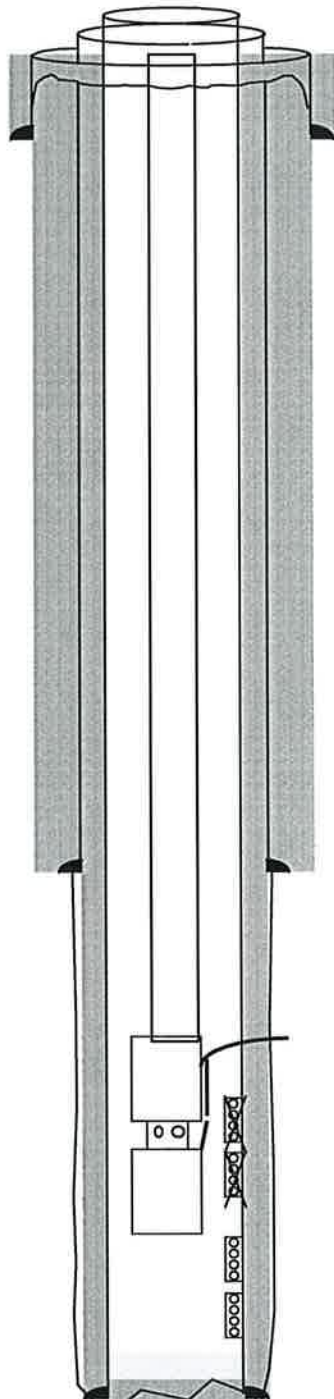
Cmtd w/ 695 sx

TOC @ surface

**7" Production, 26#, K-55 @ 5,311'**

Cmtd w/ 750 sx

TOC @ 2,500' +/- (&gt;90% bond)

**Tubing String:****144jts. 2-7/8 j-55 =4586.54'****1 Sub Pump= 56.67'****K.B. =14'****E.O.T. @4657.21'****11/19/07: PBTB @ 5,270'****Spud Date: 7/3/07****TD Date: 7/30/07****Comp Date: 11/30/07****TD = 5,340' MD, 4,628' TVD****Bluegate**

3,800'-3,906' (4 spf)

11/07: 630g 7-1/2% HCl w/ balls

11/07: 840g 7-1/2% HCl and 83,220#

20/40 sand in x-link gel

Test: 16 mcf/d, 300 bwpd

3/08: SQZ 3,800'-3,906', Drill out.

**Ferron**

4,300'-4,310', 4,524'-4,540', 4,550'-4,560',

4,578'-4,588", 4,772'-4,782', 4,786'-4,794'

10/07: 2,750g 7-1/2% HCL and 122,467 #'s

16/30 sand in x-link gel

Test: 150 mcf/d, 250 bwpd

**EXHIBIT H**

**Proposed Completion**

API: 43-007-31182

GL: 7,919'

KB: 7,934'

**Alpine School District #3-17  
Proposed SWD**

Updated : 2/25/2010

**LOCATION:**

Clear Creek  
SW SE SW Sec 8 (BHL)  
SW NW NE (surface)  
Sec. 17 T13S R7E  
Carbon County, UT

**Casing Strings:****13-3/8"**, 46#, K-55 @ 490'

Cmtd w/ 1200 sx

TOC @ surface

**9-5/8"**, 36#, J-55 @ 3,142'

Cmtd w/ 695 sx

TOC @ surface

**7" Production**, 26#, K-55 @ 5,311'

ID: 6.366", Drift: 6.421, Burst: 4,360 psi

Cmtd w/ 750 sx

TOC @ 2,500' +/- (&gt;90% bond)

**Tubing String:**

4,250' x 2-7/8", 6.5#, J-55, J-55, 8rd

Hydrotested to 4,000 psi

ID: 2.441" Drift: 2.347" Burst: 7,260 psi

**Packer:**

7" x 2-7/8" tension packer @ 4,250'

Annulus filled w/ 128 bbls 2% KCl and

100 gals Champion Cortron 2383 inhibitor

**Capacity:**

2-7/8" tbg: .00579 bbl/ft (24.6 bbls)

7" csg: .0382 bbl/ft (201.3 bbls)

2-7/8" x 7" Annulus: .0302 bbl/ft (128.4 bbls)

**PSI Test:**

Pressure test tubing/casing annulus to  
400 psig for 30 minutes using chart recorder  
and witnessed.

**Rate and Injection Pressure:**

Max rate = 15,000 bwpd

Max surface injection pressure = 400 psig

**Bluegate**

3,800'-3,906' (4 spf)

11/07: 630g 7-1/2% HCl w/ balls

11/07: 840g 7-1/2% HCl and 83,220#

20/40 sand in x-link gel

Test: 16 mcf/d, 300 bwpd

3/08: SQZ 3,800'-3,906', Drill out.

**Ferron**

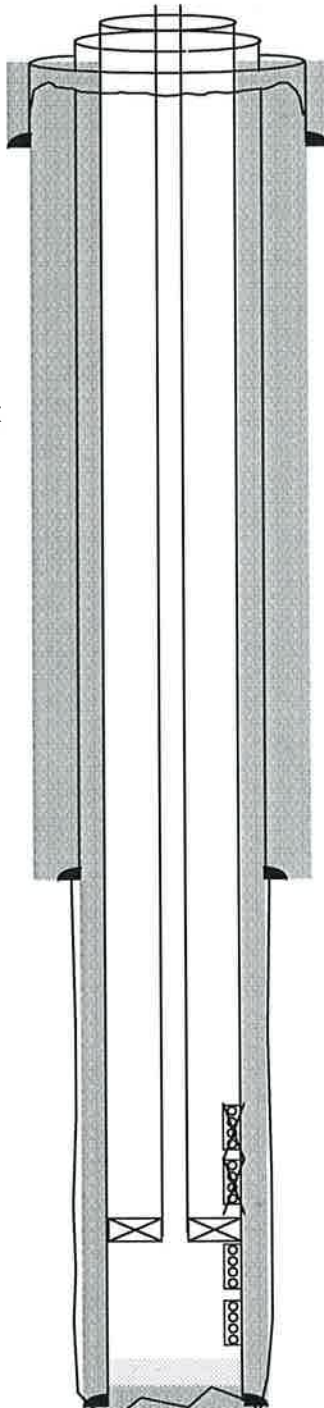
4,300'-4,310', 4,524'-4,540', 4,550'-4,560',

4,578'-4,588", 4,772'-4,782', 4,786'-4,794'

10/07: 2,750g 7-1/2% HCL and 122,467 #'s

16/30 sand in x-link gel

Test: 150 mcf/d, 250 bwpd



11/19/07: PBTD @ 5,270'

Spud Date: 7/3/07

TD Date: 7/30/07

Comp Date: 11/30/07

TD = 5,340' MD, 4,628' TVD

EXHIBIT H-2



# Water Analysis Report

Date Sampled : 26-Jan-09  
Date Received : 12-Jan-09  
Date Reported : 14-Jan-09  
26-Jan-09

Marion Energy

Field : Clearwater  
Lease : Clearwater

Location : Alpine School District 03-17

Attention :  
cc1 :  
cc2 :  
cc3 :

Sample Point : wellhead

Salesman : Scott Harbison

Analyst : Karen Hawkins Allen

Comments : Metals analyzed by AA.

## CATIONS

Calcium :	35	mg/l
Magnesium :	1	mg/l
Barium :		mg/l
Strontium :		mg/l
Iron :	40.0	mg/l
Manganese :	0.0	mg/l
Sodium :	2853	mg/l

## ANIONS

Chloride :	3,040	mg/l
Carbonate :	132	mg/l
Bicarbonate :	2,440	mg/l
Sulfate :	8	mg/l

pH (field) :	7.00
Temperature :	85 degrees F
Ionic Strength :	0.13

Specific Gravity :	1.005	grams/ml
Total Dissolved Solids :	8,549	ppm
CO2 in Water :	1	mg/l
Mole % CO2 in Gas:		mole %
H2S in Water :	0.5	mg/l
Dissolved Oxygen :		ppm

Resistivity :	ohm-meters
Ammonia :	ppm

### SI calculations based on Tomson-Oddo parameters

Calcite (CaCO3) SI :	2.16
Calcite (CaCO3) SI @ 100 F :	2.31
Calcite (CaCO3) SI @ 120 F :	2.52
Calcite (CaCO3) SI @ 140 F :	2.74
Calcite (CaCO3) SI @ 160 F :	2.97
Calcite (CaCO3) SI @ 180 F :	3.20
Calcite (CaCO3) SI @ 200 F :	3.44
Gypsum (CaSO4) SI :	-3.94
Barite (BaSO4) SI :	N/A
Celestite (SrSO4) SI :	N/A

Calcite PTB :	30.4
Calcite PTB @ 100 F :	30.4
Calcite PTB @ 120 F :	30.5
Calcite PTB @ 140 F :	30.5
Calcite PTB @ 160 F :	30.6
Calcite PTB @ 180 F :	30.6
Calcite PTB @ 200 F :	30.6
Gypsum PTB :	N/A
Barite PTB :	N/A
Celestite PTB :	N/A

Confidential

Champion Technologies, Inc.  
Vernal District Technical Services

EXHIBIT m-2



## Analysis Report

April 21, 2010

**MARION ENERGY INC**  
2901 E. 20th street  
SUITE 106  
Farmington NM 87402

Page 1 of 1

ATTN: Doug Endsley

Client Sample ID: Alpine School District 3-17  
Date Sampled: Apr 12, 2010  
Date Received: Apr 12, 2010  
Product Description: WATER

Sample ID By: Marion Energy  
Sampler Company: EIS  
Sample Taken At: Alpine School District 3-17  
Sample Taken By: M. Serfustini  
Time Received: 1305  
Time Sampled: 1030  
Field - Temperature: 52 Deg. C

Comments: Dissolved Metals Filtered at Lab  
Well Head Runt Time 1 Hr

**SGS Minerals Sample ID: 782-1002133-003**

TESTS	RESULT	UNIT	METHOD	LIMIT	DATE	ANALYZED	
						TIME	ANALYST
Oil and Grease, (HEM)	9 mg/L		EPA 1664	5.000	2010-04-16	08:15:00	CM
Sulfate, SO <sub>4</sub>	6 mg/L		EPA 300.0	1.000	2010-04-14	19:08:00	CM
Conductivity	9300 µmhos/cm		SM2510	0.100	2010-04-12	15:00:00	CM
pH	7.42 s. u.		SM4500-H	0.010	2010-04-12	14:54:00	CM
pH Temperature	18.10 °C		SM4500-H	0.010	2010-04-12	14:54:00	CM
Total Dissolved Solids	5741 mg/L		SM2540-C	30.000	2010-04-13	13:30:00	CM
Total Suspended Solids	517 mg/L		SM2540-D	5.000	2010-04-13	13:30:00	CM
Chloride, Cl	2315 mg/L		EPA 300.0	1.000	2010-04-14	19:08:00	CM
Alkalinity, mg CaCO <sub>3</sub> /L (pH 4.5)	1664 mg/L		SM2320-B	5.000	2010-04-14	12:00:00	CM
Carbonate Alkalinity as CaCO <sub>3</sub>	<5 mg/L		SM2320-B	5.000	2010-04-14	12:00:00	CM
Bicarbonate Alkalinity as CaCO <sub>3</sub>	1664 mg/L		SM2320-B	5.000	2010-04-14	12:00:00	CM
<b>METALS BY ICP</b>							
Barium, Ba - Dissolved	2.502 mg/L		EPA 200.7	0.002	2010-04-13	15:00:00	CM
Barium, Ba - Total	5.210 mg/L		EPA 200.7	0.002	2010-04-19	17:33:00	CM
Calcium, Ca - Dissolved	25.82 mg/L		EPA 200.7	0.030	2010-04-13	15:00:00	CM
Calcium, Ca - Total	31.91 mg/L		EPA 200.7	0.030	2010-04-19	17:33:00	CM
Iron, Fe - Dissolved	0.07 mg/L		EPA 200.7	0.030	2010-04-13	15:00:00	CM
Iron, Fe - Total	49.12 mg/L		EPA 200.7	0.050	2010-04-19	17:33:00	CM
Magnesium, Mg - Dissolved	9.88 mg/L		EPA 200.7	0.010	2010-04-13	15:00:00	CM
Magnesium, Mg - Total	11.99 mg/L		EPA 200.7	0.010	2010-04-19	17:33:00	CM

Allen Ludington  
Water Lab Supervisor

SGS North America Inc., Minerals Services Division  
2035 North Airport Road Huntington t (435) 653-2311 f (435)-653-2436 www.sgs.com/minerals

Member of the SGS Group (Société Générale de Surveillance)

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**EXHIBIT m-3**